

**Sound Mastering Limited**  
**Report and Unaudited Accounts**  
**31 March 2010**

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**Sound Mastering Ltd**

**Report and Unaudited Accounts**  
**For the year ended 31 March 2010**

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## **Sound Mastering Ltd**

### **Company Information**

<b>Directors</b>	T A J Churchill D J P Carroll R C Armstrong D C Cowell (resigned 02/06/09)
<b>Secretary</b>	T A J Churchill
<b>Business address</b>	46 Steele Road London, NW10 7AS
<b>Registered office</b>	48-50 Steele Road London, NW10 7AS
<b>Company No</b>	2579463
<b>Principal bankers</b>	National Westminster Bank Plc 106 Finchley Road London NW3 5JN

**Sound Mastering Ltd**

**Directors' Report**

**For the year ended 31 March 2010**

The directors present their report and the accounts for the year ended 31 March 2010

**Statement of directors' responsibilities**

A statement of the directors' responsibilities in relation to the accounts is set out on page 3

**Principal activity**

The principal activity of the company is that of post-production recording studio

**Directors and their interests**

The directors who held office during the year and their beneficial interests in the company's share capital were as follows

	Number of £1 Ordinary Shares at	
	31st March 2010	31st March 2009
T A J Churchill	-	-
D J P Carroll	-	-
R C Armstrong	-	-
D C Cowell (resigned 02/06/09)	26	26

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

**By order of the Board**



**T A J Churchill**  
Secretary

## **Sound Mastering Ltd**

### **Statement of Directors' Responsibilities in relation to the accounts**

#### **Directors' responsibilities**

Company Law requires the directors to prepare accounts for each financial year which give a true and fair view of the Company's state of affairs at the end of the year and of the profit or loss for that period. In preparing those accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business,

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence reasonable steps for the prevention and detection of fraud and other irregularities.

**Sound Mastering Ltd**

**Profit And Loss Account**  
**For the year ended 31 March 2010**

	<b>Note</b>	<b>2010</b> £	<b>2009</b> £
<b>Turnover</b>		105,883	119,733
Cost of sales		(358)	(433)
<b>Gross profit</b>		<u>105,525</u>	<u>119,300</u>
Administrative expenses		(123,908)	(124,660)
<b>Operating profit</b>	<b>2</b>	<u>(18,383)</u>	<u>(5,359)</u>
Interest receivable		0	0
Interest payable		0	(1,313)
<b>Profit / (Loss) on ordinary activities before taxation</b>		<u>(18,383)</u>	<u>(6,672)</u>
Taxation		121	(456)
<b>(Loss) / Profit for the financial year</b>		<u>(18,262)</u>	<u>(7,128)</u>
Balance brought forward		39,020	46,148
<b>Balance carried forward</b>		<u><u>20,757</u></u>	<u><u>39,020</u></u>

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

**Sound Mastering Ltd**

**Balance Sheet**

**As at 31 March 2010**

		2010	2009
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	4	11,820	25,179
<b>Current Assets</b>			
Stocks	5	130	159
Debtors	6	4,763	11,030
Cash at Bank and in hand		9,532	8,773
		<u>14,425</u>	<u>19,962</u>
<b>Creditors due within one year</b>			
Trade and other creditors	7	5,378	6,012
Short term borrowings	8	-	-
		<u>5,378</u>	<u>6,012</u>
<b>Net current liabilities</b>		<u>9,047</u>	<u>13,950</u>
<b>Total assets less current liabilities</b>		<u>20,867</u>	<u>39,129</u>
Loans and other borrowings	8	-	-
		<u>-</u>	<u>-</u>
<b>Net assets</b>		<u><u>20,867</u></u>	<u><u>39,129</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	110	110
Profit and loss account		20,757	39,019
<b>Shareholders' funds</b>		<u><u>20,867</u></u>	<u><u>39,129</u></u>

The Directors' Statement on page 6 forms part of the Balance Sheet

**Sound Mastering Ltd**

**Balance Sheet (Continued)**

**As at 31 March 2010**

*The directors have taken advantage of*

- *the special provisions of by Part 15 of the Companies Act 2006 relating to small companies*
- *the exemption conferred by sections 475 and 477 not to have these accounts audited and confirm that no notice has been deposited within the timeframe specified*

*The directors acknowledge their responsibility for ensuring that*

- *the company keeps accounting records which comply with the Companies Act 2006*
- *the accounts give a true and fair view of the state of the company's affairs at 31 March 2010 and of its profit for the year then ended in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company*

The accounts were approved by the Board  
on 8th December 2010 and signed on its behalf by



T A J Churchill - Director



**Notes to the accounts**  
for the year ended 31 March 2010

**1 Accounting Policies**

**1.1 Basis of accounting**

The accounts are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

**1.2 Turnover**

Turnover represents the invoiced value of goods and services supplied by the company net of value added tax

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Leasehold buildings	Straight line over the length of the lease
Studio equipment	20% straight line
Studio installation and sound proofing	15% straight line

**1.4 Leasing**

Rentals payable under operating leases are charged to the profit and loss account as incurred

**1.5 Stocks**

Stocks are valued at the lower of cost and net realisable value

**1.6 Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes to the extent that a liability to taxation likely to crystallise

Sound Mastering Ltd

**NOTES TO THE ACCOUNTS**

For the year ended 31 March 2010

2	<b>OPERATING PROFIT</b>	<b>2010 £</b>	<b>2009 £</b>
	The operating profit is stated after charging		
	Depreciation of tangible fixed assets	16,666	16,571
	Operating lease rentals		
	Property rents		
		<u>          </u>	<u>          </u>

3	<b>DIRECTORS' EMOLUMENTS</b>	<b>2010 £</b>	<b>2009 £</b>
	Total remuneration	<u>33,944</u>	<u>33,756</u>

4	<b>TANGIBLE FIXED ASSETS</b>	<b>Land and buildings</b>	<b>Plant and Machinery etc</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	<b>Cost</b>			
	At 1 April 2009	36,810	384,394	421,204
	Additions	-	3,307	3,307
	Disposals	-	-	-
	At 31 March 2010	<u>36,810</u>	<u>387,701</u>	<u>424,511</u>
	<b>Depreciation</b>			
	At 1 April 2009	36,810	359,215	396,025
	Charge for the year	-	16,666	16,666
	Disposals	-	-	-
	At 31 March 2010	<u>36,810</u>	<u>375,881</u>	<u>412,691</u>
	<b>Net book value</b>			
	At 31 March 2010	<u>-</u>	<u>11,820</u>	<u>11,820</u>
	At 31 March 2009	-	<u>25,179</u>	<u>25,179</u>

The net value of Assets held under Finance Leases included in Plant & Machinery is nil (2008 nil)

5	<b>STOCKS</b>	<b>2010 £</b>	<b>2009 £</b>
	Raw materials and consumables	<u>130</u>	<u>159</u>

# NOTES TO THE ACCOUNTS

For the year ended 31 March 2010

6	DEBTORS	2010 £	2009 £
	Due within one year		
	Trade debtors	13,833	19,727
	Other debtors	(9,070)	(8,697)
		<u>4,763</u>	<u>11,030</u>

7	CREDITORS	2010 £	2009 £
	Due within one year		
	Trade creditors	0	20
	Other creditors	5,377	5,992
		<u>5,377</u>	<u>6,011</u>

8	BORROWINGS	Due within one year		Due after one year	
		2010 £	2009 £	2010 £	2009 £
	<b>Secured</b>				
	Bank loans and overdraft	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
				2010 £	2009 £
	<b>Bank loans and overdraft</b>				
	Repayment fall due				
	Within one year or demand			-	-
	Between one and two years			-	-
	Between two and five years			-	-

# **NOTES TO THE ACCOUNTS**

For the year ended 31 March 2010

<b>9</b>	<b>CALLED UP SHARE CAPITAL</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<b>Allotted, called up and fully paid</b>		
	110 Ordinary shares of £1 each	<u>110</u>	<u>110</u>
<b>10</b>	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	<b>Retained profit/(loss) for the year</b>	- 18,262	- 7,128
	Opening shareholders' funds	39,130	46,258
	<b>Closing shareholders' funds</b>	<u>20,868</u>	<u>39,130</u>

## **11 COMMITMENTS UNDER LEASES**

At 31 March 2010, the company had annual commitments under non-cancellable leases as follows

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>		<b>£</b>
<b>Finance Leases</b>				
On Leases expiring				
Within one year	-	-	-	-
Between two and five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
The aggregate finance charges allocated for the period in respect of finance leases is £0 (2009 £0)				
<b>Operating Leases</b>				
On leases expiring				
Within one year	-	-	-	-
Between two and five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**Sound Mastering Ltd**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2010**

**12 Ultimate Holding Company**

The ultimate holding company is Ace Records Limited, which owns 75.45% of the voting share capital